

**MINUTES
PUBLIC MEETING
ARIZONA STATE RETIREMENT SYSTEM BOARD**

**HELD
Tuesday, May 2, 2023
8:30 a.m.**

The Arizona State Retirement System (ASRS) Board of Trustees met in public session in the First Floor Board Room of the ASRS Office, 3300 N. Central Avenue, Phoenix, Arizona 85012.

Mr. René Guillen, Chair of the ASRS Board, called the meeting to order at 8:34 a.m.

1. Call to Order; Roll Call; Opening Remarks

Present: Mr. René Guillen, Chair
Mr. Michael Miller, Vice-chair
Ms. Diane Landis
Mr. Michael Lofton
Mr. Kevin McCarthy (virtually)
Mr. Jim Mueller
Mr. Jay Petkunas (virtually)
Ms. Ashley Retsinas
Ms. Sarah Webber

A quorum was present for the purpose of conducting business.

Ms. Melanie Alexander, ASRS Board Administrator, provided all attendees with meeting guidelines.

2. Approval of the Minutes of the March 29, 2023 Public Meeting of the ASRS Board

Motion: Mr. Michael Miller moved to approve the minutes of the March 29, 2023, Public Meeting of the ASRS Board. Mr. Jim Mueller seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved

Ms. Sarah Webber – approved

3. Presentation, Discussion, and Appropriate Action Regarding the ASRS 2023 Legislative Initiatives and Legislative Update

Ms. Jessica Thomas, Government Relations Officer and Rules Writer, updated the ASRS 2023 Legislative Agenda. Ms. Thomas reported that the Governor signed the three ASRS bills going through the legislative process, HB2008 – ASRS Contribution Prepayment Program, HB2009 – ASRS Retirement Applications, and HB2029 – DC Employer Participation. They will become effective on the general effective date, ninety days after sine die of the legislature.

Hearing no questions for Ms. Thomas, Mr. Guillen thanked her for her work.

4. Presentation Discussion and Appropriate Action Regarding the Director's Report as well as Current Events

Mr. Paul Matson, Director, had no additional comments but offered to answer any Trustees' questions.

5. Presentation, Discussion, and Appropriate Action Regarding Board Elections of Chair and Vice-chair

Mr. Guillen introduced the item and opened the floor for nominations for the chair and vice-chair positions.

Motion: Mr. Jim Mueller moved to nominate Mr. René Guillen as the ASRS Board Chair for the period of July 1, 2023, through June 30, 2024. Ms. Sarah Webber seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

Motion: Ms. Diane Landis moved to nominate Mr. Michael Miller as the ASRS Board Vice-chair for the period of July 1, 2023, through June 30, 2024. Ms. Ashley Retsinas seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved

Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

Discussion participants: Mr. René Guillen, Ms. Diane Landis, Mr. Michael Miller, and Ms. Sarah Webber.

4. Presentation Discussion and Appropriate Action Regarding the Director's Report as well as Current Events

Ms. Webber requested to return to Agenda Item #4 briefly as she wanted more background regarding the Delinquent Employer Report and the next steps in the process. Mr. Erin Higbee, Assistant Director, Financial Service Division, summarized the report and noted that staff continues to work with employers regarding outstanding contributions.

Discussion participants: Ms. Erin Higbee and Ms. Sarah Webber.

6. Presentation, Discussion, and Appropriate Action Regarding the ASRS Public Equity Benchmark

Motion: Mr. Michael Miller moved to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and (9). Mr. Jim Mueller seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

Board convened to executive session at 8:49 a.m.

Board reconvened to public session at 9:52 a.m.

Motion: Mr. Michael Lofton moved to allow staff to modify the ASRS Public Equity Benchmark on a go-forward basis during Calendar Year 2023, with implementation dates to be determined by staff. Mr. Jay Petkunas seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved

Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

7. Presentation, Discussion, and Appropriate Action Regarding the Development of a New ASRS Strategic Plan for the Five-Year Period of Fiscal Years 2024 to 2028

Mr. Matson opened the discussion with a round table introduction of staff and Trustees. After introductions, Mr. Matson provided the background for the Trustees and reviewed what the staff believes are the organization's strengths, weaknesses, opportunities, and threats.

An open dialogue followed among staff and Trustees regarding the ASRS strategic vision, mission, goals, value proposition, tagline, and related strategic items. After the interactive dialogue, Mr. Matson outlined the next steps in the strategic planning process, indicating that staff will take the Trustees' feedback and develop a draft Strategic Plan for the Board to review at the June 20, 2023, Board meeting.

Discussion participants: Ms. Katie Daigneault, Ms. Athena Elliston, Mr. Anthony Guarino, Mr. René Guillen, Mr. Jeff Hickman, Ms. Erin Higbee, Mr. Dave King, Ms. Diane Landis, Mr. Michael Lofton, Mr. Harold Mackey, Mr. Paul Matson, Mr. Kevin McCarthy, Mr. Michael Miller, Mr. Jim Mueller, Mr. Jay Petkunas, Ms. Ashley Retsinas, Ms. Jeremiah Scott, Mr. Michael Viteri, and Ms. Sarah Webber.

8. Call to the Public

No one from the public requested to address the Board.

9. The next regular public ASRS Board meeting is scheduled for Wednesday, June 20, 2023, at 8:30 a.m.

Mr. Guillen announced that the next public ASRS Board meeting is scheduled to begin at 8:30 a.m. on Wednesday, June 20, 2023.

10. Board Requests for Future Agenda Items

No requests were made.

11. Presentation, Discussion, and Appropriate Action Regarding the 2022 Review and Employment Agreement of the Director of the ASRS

Motion: Mr. Michael Miller moved to go into executive session pursuant to A.R.S. § 38-431.03(A)(1). Ms. Sarah Webber seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

Board convened to executive session at 12:01 p.m.

Board reconvened to public session at 12:51 p.m.

Motion: Mr. Michael Miller moved to approve the amended Employment Agreement for the ASRS Director. Ms. Sarah Webber seconded the motion.

By a roll call vote of 9 in favor, 0 opposed, 0 abstentions, 0 excused, the motion was approved. The Trustee votes were as follows:

Mr. René Guillen – approved
Mr. Michael Miller – approved
Ms. Diane Landis - approved
Mr. Michael Lofton – approved
Mr. Kevin McCarthy – approved
Mr. Jim Mueller – approved
Mr. Jay Petkunas – approved
Ms. Ashley Retsinas – approved
Ms. Sarah Webber – approved

12. Adjournment of the ASRS Board

Before adjourning the meeting, Mr. Guillen provided a correction to the next ASRS Board meeting, which will be Tuesday, June 20, 2023.

Mr. Guillen adjourned the ASRS Board meeting at 12:54 p.m.

Respectfully Submitted by:

Melanie Alexander
Board Administrator
ARIZONA STATE RETIREMENT SYSTEM